

THE NEXT WAVE OF TECH DISRUPTION FOR CRE

By Robert G. Thornburgh, SIOR

The newest advancements in technology are nothing short of amazing. Today we communicate with people on different continents using handheld devices. The Internet of Things (IOT) is reshaping our home and work environments; we have scanners that peer into the human body; engineers continue to construct more realistic robots capable of complex thinking and movement; and the list goes on and on.

For those of us in commercial real estate, connecting clients with the right opportunities is faster and easier than ever before. Multi-cloud capabilities have eliminated silos and make high-level information available in ways never thought possible. However, the rapid rate of change occurring around us will continue to dramatically alter the way we conduct business. To see where we are heading requires looking beyond present innovations, into the future, to consider the many unique possibilities. Here are just a few to ponder:

Hello, Holograms

The big tech talk right now is virtual and augmented reality, but holographic technology is looming quickly around the corner.

Check out Leia-3D, a company already exploring the holographic space. Their technology creates holographic imagery popping out of an LCD screen like a smart phone. This is just the beginning.

Imagine literally being in two places at once: in your office while assisting with an off-site client tour. But it's more than just transporting your likeness somewhere else. Holographic technology means we can project and manipulate new developments in 3D. Clients could walk up to a holographic development, zoom in on the space they are interested in, and take a projected virtual tour – no headset required. Some of this is already out there in a less sophisticated virtual reality (VR) format.

Implant Your Tech

In the very near future, everyone could be a cyborg, balancing organic and bio-mechatronic body parts. We already use implanted technology medically to help people hear, see, and move paralyzed limbs.

Retailers use RFID chips to track inventory. Applying this to human beings is no longer a reach. It is estimated that up to 50,000 people globally already have RFID implants for a variety of uses. In fact, employees at Swedish company Epicenter can open doors or buy smoothies with their implanted chips. Three Square Market is another company planning to implement this voluntary program in Wisconsin later this year. Innovator Elon Musk launched Neuralink to explore interfacing technology into the brain. The technology is there – now it's only a matter of time before it becomes more commonplace.

Artificial Intelligence

The next step in artificial intelligence (AI) and natural language processing adoption is complete automation. All our technology will not only talk to each other automatically, they will learn and adapt. When you wake up in the morning, your home sensors will detect it and start the coffee pot. Alexa will remind you of your daily schedule, but more importantly, adjust if there's extra traffic on the morning commute.

In the business world, AI will replace certain jobs – there is no way around it. Look at the customer service industry, where intelligent chatbots serve as the first line of assistance. Take a step beyond that. Is it unrealistic to think that a robot could lead commercial space tours, where a programmed AI answered the traditional client questions? How much of this actually impacts certain roles in commercial real estate is far from being answered.

It is difficult however to ignore AI's ability to replace any repetitive procedure which means the sales process is vulnerable to change. The newest report from BCG and MIT's Sloan Management Review takes an in-depth look on the topic of AI in business today — and is worth reading.

Print Your Next Office

3D printers don't just make cute designs with plastic. Be prepared for 3D printing to disrupt countless industries. In real estate, we can print whole, working, sustainable buildings. Dubai has a 3D printing strategic plan to position the city as a hub for this technology. Right now, Dubai is home to a printed office building and plans call for a 3D printed skyscraper.

As the engineering and technology backing 3D printing improves, expect a huge revolution in the construction industry from the bottom up. We're talking

"The rapid rate of change occurring around us will continue to dramatically alter the way we conduct business. To see where we are heading requires looking beyond present innovations, into the future, to consider the many unique possibilities."

about structures that are more environmentally friendly, built faster with fewer people required, and at a reduced cost. This is already happening, but watch for how quickly 3D printing evolves.

Blockchain for Real Estate is Coming

Industry professionals should be familiar with blockchain by now. If you aren't, start doing your research including thought provoking commentary from people like Robert Shiller, a Nobel winning economist.

The real estate industry is just starting to dip its toes into this technology. While in the early stages, one nation leading the blockchain adoption is Sweden with its land registry program. In the United States, Cook County, Illinois is reported

to be one of the first to test blockchain for transferring and tracking property titles and other public records, according to the Recorder's Office.

Blockchain will change how we initiate and close deals. One reason our current escrow process exists is to reduce real estate fraud. Using blockchain secures the transaction and cuts out some of the required paperwork-generating steps. Translation: less expense and faster closing. Eventually, the entire real estate transaction process will go virtual, partially thanks to blockchain technology.

Looking Forward

There are some very big picture changes our industry is facing that will revolutionize commercial real estate. We will

all benefit from improvements in security and efficiency afforded from tech advancements. Specific to commercial real estate, most of us do not have to understand algorithms or predictive analytics. We do however, as an industry, need to be paying close attention to tech-related innovation and how to apply it to our business – the more we are in the know, the faster we will be able to adapt, or better yet, lead. This requires a delicate balance of understanding and embracing disruption and leveraging technology while not losing sight of the importance of providing the personal service that has been so imperative throughout real estate over the years. ▽

STAND OUT TO THE UNKNOWN BUYER.

× MAKE YOUR MARKET



TEN-X COMMERCIAL

Ten-X Commercial is the CRE marketplace that goes beyond the usual suspects. It connects you with unknown buyers across the globe and offers a greater certainty to close. Sixty percent of our buyers come from out of state.

[Ten-X.com/commercial](https://www.ten-x.com/commercial) | 888-770-7332